

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0027-08
Bill No.: SCS for HS for HB 349
Subject: Makes various changes regarding the protection of the elderly.
Type: Original
Date: May 14, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	Exceeds (\$7,327,532)	Exceeds (\$13,611,001)	Exceeds (\$18,810,396)
Total Estimated Net Effect on <u>All</u> State Funds	EXCEEDS (\$7,327,532)	EXCEEDS (\$13,611,001)	EXCEEDS (\$18,810,396)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal Funds	(\$8,615)	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$8,615)	\$0	\$0

Federal revenue and expenditures to exceed \$19.6 million annually.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	Exceeds (\$100,000)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 17 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Public Defender, Department of Public Safety-Missouri Highway Patrol**, and the **Office of Attorney General** stated for a similar proposal from this session that the legislation would not fiscally impact their organizations.

Officials from the **Office of State Courts Administrator** stated for a similar proposal from this session that the legislation would not have an appreciable impact on the workload of the courts.

Officials from the **Office of the Secretary of State (SOS)** assumed for a similar proposal from this session that the proposed legislation would require the printing of additional pages in the Missouri Register and the Code of State Regulations and have estimated a publishing and distribution cost of \$2,214 for FY 02. Additionally, future costs are unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Corrections (DOC)** stated for a similar proposal from this session that the proposed legislation will result in unknown costs less than \$100,000 to the DOC as a result of persons convicted of the crimes specified in the legislation.

In response to an earlier version of the proposed legislation, officials from the **Cole County Prosecuting Attorney's Office (CCPAO)** stated that this proposal is a complete re-write of the existing laws in this subject area. The proposal affects the stealing, assault, and abuse statutes. This will require the local prosecuting attorney offices to re-write forms and instructions related to elder abuse. This will also require an update to the computer network being installed in the prosecutors offices statewide. Although the CCPAO could not give a precise estimate of these costs, the costs are expected to exceed \$100,000 in the first year alone.

Oversight will present a cost of over \$100,000 for FY 02, based on prior responses, for the various prosecuting attorneys statewide which will be reflected in local government funds for fiscal note purposes.

Officials from the **Department of Labor - Division of Employment Security (DOL-DES)** stated for a similar proposal from this session that the proposal provides that contributing employers, who are currently charged for benefit payments because an individual was not discharged for misconduct connected with work, will no longer be charged for benefit payments if the employer was required by law to discharge the individual because the individual was placed on a disqualification list after being hired.

ASSUMPTION (continued)

Unemployment benefits are paid from the Unemployment Compensation Trust Fund (UCTF). The UCTF is funded by all contributing employers and by employer payments for benefit charges. Although the proposal would not change the amount of benefits paid, it no longer provides the charging mechanism for replenishing the fund. The cost of benefits would reduce the balance of the UCTF, which would contribute to future rate increases to all contributing employers if the balance reaches certain levels.

The DOL-DES is not able to identify current claims meeting the proposed conditions, to estimate and project the payable, number of weeks claimed, and other unknown factors.

Information Services estimates the change to the benefit charging provisions would require 220 hours of computer programming to the nonmonetary and charging process in the existing system. This would be an estimated one-time start up cost of \$8,615, which would have a negative impact on Federal Funding. The Division assumes the cost for changing and printing notices and pamphlets would be part of the normal cost of operations.

The DOL-DES also stated that allowing the Department of Social Services to provide investigative information relating to the circumstances of an individual's separation could better equip the DOL-DES when investigating misconduct connected with the work than when subject employers are not in a position to provide the information at the time of the DOL-DES's investigation. The DOL-DES is not able to predict what impact this may have.

Officials from the **Department of Health (DOH)** stated for a similar proposal from this session that according to a representative of the Division of Aging, there are currently 372 agencies that contract to provide in-home services. It is unknown the total number of employees of these agencies. The three largest in the state employ a total of 2,500 care staff. Since several of the agencies are very small, one could assume that the remaining agencies would have an average of 10 employees. Using this assumption, 2,500 (3 largest agencies) plus 3,690 from the smaller agencies (369 x 10) for a total of 6,190 to be registered.

According to a representative of Vocational Rehabilitation, there are currently 1,100 individuals who meet the requirements of 178.661. An additional 120 individuals are added each month. Each of these individuals has two to three caregivers that meet the definition of personal care attendant or personal care worker. By 2002 they believe 4,000 individuals will be served with the potential for an additional 12,000 caregivers. It is unclear just how many of these care givers may serve more than one client but an estimate could be made that at least 2,000 may fall into this category.

ASSUMPTION (continued)

According to a representative of the Department of Mental Health, there are 4,200 entities that contract to provide personnel care services. It is estimated they employ 13,000 individuals to perform those tasks.

6,190	In-home workers (Aging)
10,000	Personal care workers (Vocational Rehabilitation)
<u>13,000</u>	Personal care workers (DMH)
29,190	Total

The turnover rate for these individuals would be similar to that of other in-home providers. The current turnover rate is estimated to be 35%, which would translate to 10,217 individuals to be registered annually.

The DOH estimates one staff member is needed per 5,000 registrants. This individual will process the registrant, provide information to the registrant regarding information that will be released, provide responses to employers regarding background via the toll free number, confirm by letter the information provided to the employer and registrant, and provide additional detailed information if requested.

Therefore, the DOH estimates that 2 Health Program Reps. I/II FTE will be needed along with the necessary equipment and expense. Total personal service costs, fringe benefits, and expenditures to General Revenue are estimated to be \$109,520 for FY 02; \$123,880 for FY 03; and \$127,112 for FY 04.

Oversight assumes the DOH would be able to implement the proposed legislation with 2 Account Clerk I FTE, would place the additional FTE in current office space, and would not need rental space.

Officials from the **Department of Mental Health (DMH)** provided the following assumptions for a similar proposal from this session regarding the fiscal impact the proposed legislation would have on the DMH:

Section 210.903

This section adds language stating that the DMH's employee disqualification list is to become a part of the "Family Care Safety Registry and Access Line". Furthermore, Section 210.915 indicates that the DMH is among the agencies who must collaborate with the Department of Health to compare records on child-care and elder-care workers, and the records of persons with criminal convictions and the background checks. These changes could increase the volume of

ASSUMPTION (continued)

contacts to the DMH, but there is no way to determine whether or how much of an increase in volume will occur with the implementation of this legislation. Therefore, the DMH is assuming a \$0 - Unknown fiscal impact.

Section 208.010

The DMH assumes the intention is to raise the income limit to 100% of the federal poverty level in phases. However, as written, the language appears to make the assumption that the income limit currently is less than the federal poverty level, which is incorrect. Missouri is more restrictive on eligibility currently by having higher income limits such as 300% of the federal poverty level. As written, there would be a smaller pool of eligible individuals (i.e. from 300% for certain groups currently, down to 85% as per the proposed legislation). In essence, this appears that we would be using 'more restrictive' income methodologies at least for the 3 year period specified, as compared to least restrictive methodologies.

The DMH assumes the intent is to put the income limit at 100% of the federal poverty level and phase in the new group of eligibles between the 100% and 300% over three years. If this assumption is correct, it is expected that the impact to the DMH will be minimal, because it is believed that the majority of DMH current clients are denied Medicaid eligibility based on the income limits. However, there is a potential minimal cost savings to the DMH as any existing DMH clients become Medicaid eligible through this provision. Services provided by contracted providers to non-Medicaid eligible clients are paid at 100%. If our state operated facilities provide covered services to any newly eligible clients, there would be a very minimal increase in general revenue. However, when the individual becomes Medicaid eligible, they are entitled to additional Medicaid services which will be an increased cost to the DMH. As a result, the DMH anticipates a net impact of zero.

Officials with the **Office of the Lieutenant Governor (MLG)** assumed for similar legislation proposed during this session that the legislation would move the Ombudsman's Office, in its entirety, from the Division of Aging to the MLG, and that all federal and general revenue dollars would follow. The MLG assumes 800 sq. ft. office space will be required at an annual cost of \$12,800.

Oversight assumes that the rent expenditure would not be required, as officials with the Division of Aging indicated in an earlier version of the proposed legislation that there was no reason why the Office's employees could not remain in the current space.

Officials from the **Department of Social Services (DOS)** make the following assumptions related to this proposal:

ASSUMPTION (continued)

Sections 187.020. 5. and 187.030. 1. Referrals to the Prosecutor and Law Enforcement

The Division of Aging (DA) assumes the prosecutors office and law enforcement agencies will determine the fiscal impact associated with additional referrals resulting from the language requiring the division to refer all cases of "suspected" elder abuse. There were 12,573 investigations completed by Home and Community Services in FY 00; 57.0% (7,172 cases) had investigative findings of reason to believe and 19.4% (2,445 cases) had findings in which the allegations were suspected to have occurred. There were 7,208 complaint reports received by Institutional Services in FY 00; 27.5% (1,986) had investigative findings of valid and 13.7% (985) had findings in which the allegations were unable to be verified.

Currently, the DA policy requires that staff contact local law enforcement agencies at any point in the investigation there is reason to believe that a crime has been committed.

Section 187.030. 2. Training DA Staff and Law Enforcement

The division estimates the following costs associated with training DA staff and law enforcement officials statewide on the proper handling of cases involving elder abuse. The division assumes that there will be a window of time in which the state will have to bring 800+ DA staff and the approximately 29,000 law enforcement officials (representing over 1,200 law enforcement agencies) into compliance with the training requirements of the legislation.

The division assumes that the law enforcement agencies will absorb the cost of training law enforcement officials. Once existing law enforcement officers receive the training, the curriculum will be incorporated into the required training for state certification in Missouri. There are 18 law enforcement training academies located throughout the state which offer the required 470 hours of training for all law enforcement officials to become certified.

The division will need one (1) Social Services Manager B1 (SSM) position to oversee the administrative responsibilities outlined in the bill. The SSM will act as the division liaison with law enforcement and will work with the Highway Patrol, Sheriff's Association, Law Enforcement Training Academies, and other such agencies and associations to fulfill the requirements of joint training, developing accurate curriculum including the mandated checklist to ensure thorough investigations of elder abuse cases; and revising the training as necessary in accordance with state laws. The SSM will conduct train the trainer sessions for new law enforcement and division trainers, as necessary, and be available to speak at association meetings and law enforcement conferences across the state and will conduct in-house training to establish a list of division personnel in various regions who can present on elder abuse investigations and the use of the checklist. Once the curriculum has been developed, it will be used for training staff at the law enforcement academies and within the division to train existing staff on the proper handling

ASSUMPTION (continued)

of cases involving elder abuse including the use of checklist. The division will add to its basic and advanced orientation this same curriculum to enhance the sections involving elder abuse that are already included in the current training program, inviting law enforcement or highway patrol personnel to present/speak at the orientation programs to meet the requirements of cross-training.

The division will conduct training for 800+ employees within the division in six to eight sessions across the state (depending on attendance by law enforcement personnel). The division estimates that 16 hours of training across three days will be sufficient, requiring two overnights for approximately 40% of the staff. All staff will require meal allowance and some travel reimbursement. Anticipating maximum carpool and state cars usage, mileage is based on an average of 75 miles per car. The division estimates the cost of training as follows (no cost for "trainers" included):

Total DA Staff/Personnel to be trained	800
Approximate number requiring two overnight accommodations (40%)	320
Hotel Accommodations: \$60.00 per overnight two nights (320 x \$60 x 2)	\$38,400
Meal Allowance: \$23.00 per day; two days (800 x \$23 x 2)	\$36,800
Meal Allowance: \$17.00 last day (plus 15%) (\$19.55 x 800)	\$15,640
Approximate Mileage: 1 car per 3 employees = 800/3 = 267 cars	
75 average miles round-trip per car (267 x 75 x \$.295/mile)	<u>\$ 5,907</u>
Total Estimated Cost of Training DA Staff	\$96,747

Oversight assumes that the training would be held at sites around the state. Oversight assumes total costs of \$51,327.

Section 198.082 - Nurse Aide Training

DMS states the proposed legislation will not have a fiscal impact on the DMS. The reimbursement for the training is not changed. Payment for the training is made after the nurse aide has successfully completed the training course and their name has been added to the Missouri Division of Aging Nurse Assistant Register. DMS may reimburse the nursing facilities earlier since the training must be begun within 90 days of employment. Also, the on-the-job training component must be completed within 120 days of employment.

Section 208.151 85%/90%/100% Poverty Level

The DMS worked with the Division of Family Services to identify the population that is being proposed for full medical assistance. The population includes spenddown, Qualified Medicare Beneficiary (QMB) only, and Blind Pension eligibles. These populations are currently receiving ASSUMPTION (continued)

a limited medical service benefit, but this legislation will allow the eligibles to receive the full benefit. Currently, there are 10,908 spenddown eligibles, 2,971 QMB only eligibles, and 2,611 Blind Pension eligibles. The DMS believes there are individuals that are eligible for the spenddown program, but are not enrolled. The DMS also assumed that this population might present themselves for medical coverage if this bill is adopted, but the DMS is unable to estimate this population.

Spenddown - the DMS assumes there will be 8,958 eligibles in FY 02; 9,882 eligibles in FY 03; and 10,908 in FY 04.

QMB only - the DMS assumes there will be 873 eligibles in FY 02; 1,521 eligibles in FY 03; and 2,971 in FY 04.

Blind Pension - The current caseload for this population is 2,611. The DFS assumed that 41 eligibles of this population would be eligible by FY 04 for the full Medicaid benefits with the proposed legislation. Since the medical payments for this population is currently 100% General Revenue (GR), and since they do not receive full Medicaid benefits, the DMS assumed a reduction in GR and an increase in federal funding for this population.

Section 660.051 Requires the division to make available on DA's Internet web site surveys of every long-term care facility licensed in this state.

The division assumed the proposed legislation requires all statements of deficiencies, identical to those posted in the facility, to be available on DA's Internet web site for certified and state licensed skilled nursing facilities, intermediate care facilities, and residential care facility Is and IIs (1,250+ facilities). The legislation also requires DA's web site to provide a link to the federal web site that provides a summary of facility surveys conducted over the last three years and information on how to obtain a copy of a complete facility survey. Additionally, the web site shall include a notation on any survey which is in dispute. The division will need one (1) additional Computer Information Technologist II position to ensure information provided on the web site is current; provide technical support and maintenance of the portion of the division's web site related to the 1,250+ providers and their associated statements of deficiencies; and be responsible for systems management, configuration, administration and troubleshooting activities including support of state level communication protocols and database functions.

Section 660.071 Creation and Distribution of New Aging Publication

The division is required to distribute a comprehensive publication encompassing the MO Guide For Seniors, the Long-Term Care Facility Directory, and additionally, all companies, organizations, and facilities in the state providing services for older adults who wish to be listed, ASSUMPTION (continued)

and including information about where to obtain inspection and survey information, current licensure status and other quality related information categorized by both services and location. Currently, the division has no appropriation specifically designated for the MO Guide for Seniors. During FY99, DA utilized existing EE funds to print only a limited supply (35,000 copies) of the eighty-eight (88) page MO Guide For Seniors at \$0.75 each for a total of \$26,250. The new publication, which is to include a listing of all public or private companies or organizations providing services for older adults, will be a substantially larger publication than the current Senior Guide. The DA assumes that the majority of those providing services to older adults will wish to be listed, including long-term care facilities, in-home services providers, home health agencies, adult day care programs, senior centers, hospices, hospitals, durable medical equipment providers, pharmaceutical companies, insurance companies. Based on information obtained from the Division of Tourism about their official travel guide, the DA anticipates that the new publication will be about 350 pages; we anticipate more listings than the travel guide and in consideration of the targeted audience for the guide we will use a larger type font. The DA will contract for the typesetting, solicitation of advertising and collection of payment for ads, printing, development of a mailing list and mailing of the guide. We estimate printing 125,000 copies of the guide on a quarterly basis to allow for updates to the information, with the first printing in FY 03; in FY 02, the DA will develop the request for proposal, evaluate the responses and award the contract. The division has no method of directly collecting money from providers for advertising in the guide; therefore, it is assumed that the printing contractor will also solicit advertising and the money collected for ads will be utilized to cover the final contract cost to DA. The DOS anticipates no fiscal impact.

660.083 Consideration of Compliance History When Issuing License

The Division of Aging assumes current staff in our Compliance Unit will be sufficient to document and forward to the appropriate units within the Division of Aging a listing of those facilities whose compliance history should be considered when issuing or renewing a license. We believe the fiscal impact of this requirement would not be significant. However, dependent on the criteria that are established for not licensing a facility a future request for FTE for the Compliance Unit may be needed.

660.252 Medicaid Participation Agreements and Mandated Training on Elder Abuse

Current training requirements are mandated for all contracted in-home services provider agencies in accordance with 13 CSR 15-7.021 (19). Included in required training topics is recognizing and reporting abuse, neglect, and/or exploitation of elderly or disabled clients. The cost of staff providing training as an in-service for provider agencies will be absorbed by the division. Additionally, reporting elder abuse is required by the contract for in-home services as well as state law.

ASSUMPTION (continued)

Medicaid Participation Agreements currently require that enrolled provider agencies abide by all

state and federal laws; the division will work with Division of Medical Services to add a provision which specifically relates to long-term care facility compliance with sections 660.600 to 660.608 regarding access by state ombudsmen; we anticipate no significant fiscal impact to the division.

660.401 Restructuring of the Adult Day Care Program

660.401. 1. The Division of Aging (DA) will continue to work with the Division of Medical Services (DMS), who is currently restructuring the adult day health care program, to allow for a program that provides a basic level of adult day care services without the rehabilitative services. DMS is currently in the process of requesting an amendment to the Aged and Disabled Waiver to include an adult day care program (Adult Day Care Basic) that does not require rehabilitative services provided by a licensed professional therapist. The implementation of this program is projected to be in April 2001 pending approval of the Health Care Financing Administration (HCFA).

Based on information provided by the DMS, the DA will need additional funds to pay for basic adult day care for Medicaid clients who are spend down clients during periods of ineligibility. According to DMS: there is currently 660 clients per month utilizing the adult day health care program; the anticipated growth is 92 clients (approximately 14%); the anticipated rate for basic adult day care will be \$38.00 per day; average monthly authorization of Medicaid units is 18 per client.

Based on historical data from prior years expenditures, about 97% of the total day care programs costs are expended by DMS and about 3% by DA. For FY 00, the DMS expended approximately \$4,735,000 for adult day health care and the DA expended approximately \$142,000. The DMS anticipates their cost for the basic adult day care program will be \$1,000,000 for the first full year. Therefore, based upon historical data that the DMS expends 97% of the cost of the program, the DA estimates that the first full year cost will be \$30,928 (3%) for basic adult day care services for spend down clients during periods of Medicaid ineligibility. The DA is showing only 10 months of cost for the program in FY 02 or \$25,773. Full year program costs for FY2003 and FY2004 include costs for growth of approximately 14% annually.

ASSUMPTION (continued)

660.600. Transfer of the Office of the State Ombudsman for Long-Term Care Facility

HW-C:LR:OD (12/00)

Residents

The Division of Aging's House Bill 11 appropriations of \$221,435, including 4.0 FTE and their associated personal services as well as expense and equipment, would transfer from the Department of Social Services to the Office of the Lieutenant Governor. The fiscal impact would be a savings to the Department of Social Services with an identical cost to the Office of the Lieutenant Governor. The net effect to the state would be \$0.

New section 1 Reasonable Attorney Fees, Court Costs and Expenses

The DFS assumes the cost for attorney fees, court costs, and expenses to be exclusive to the DFS and that a reasonable attorney fee equates to \$135 per hour for the purpose of this fiscal note projection. (Source of data: Missouri Bar Association.) The DFS also assumes the average number of hours for case preparation per claimant to be 40. (Source of data: Division of Legal Services.) The DFS is using the projections of Division of Legal Services since no other source is readily available to provide this information.

The DFS officials also state the DFS assumes that court costs are already being paid by DOS. Assuming "other" expenses for which the DFS would be responsible to pay would amount to an additional 25% of the total case preparation cost. These types of expenses would be for things such as telephone costs, copy fees, travel costs, public record searches, etc. (Source of data: Division of Legal Services.)

The DLS estimates 140 closed appeals during FY 2000. The DLS expects an increase in the number of court actions if this bill is enacted as written. Therefore, a 10% increase over the FY 2000 totals is projected for this fiscal note work up.

140	# of FY 2000 court appeals
<u>x10%</u>	% increase in court appeals
14	# of new court appeals

140	# of FY 2000 court appeals
<u>+14</u>	# of new court appeals
154	Total court appeals projected

\$135	Hourly cost for attorney fees
<u>x 40</u>	# of hours per case
\$5,400	Preparation cost per case

ASSUMPTION (continued)

\$5,400	Preparation cost per case
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x 25%	% of expenses used
\$1,350	Cost for expenses per case
\$5,400	Preparation cost per case
+ \$1,350	Cost for expenses per case
\$6,750	Total cost per case
\$6,750	Total cost per case
x 154	Total court appeals projected
\$1,039,500	Total annual cost for attorney fees and other expenses

New section 2 requires a report and recommendations to consolidate and centralize EDLs

The Division of Aging assumes that current resources will allow for participation and preparation in the development of this report and recommendations. Fiscal impact as a result of consolidation and centralization of the EDLs will be determined through this process and, therefore, is not included.

Staffing Costs:

Based on previous experience, the following amounts represent the average annual expense of an FTE:

- Rent (Statewide Average) - \$2,700 per FTE (\$13.50 per sq. ft. x 200 sq. ft.)
- Utilities - \$320 per FTE (\$1.60 per sq. ft. x 200 sq. ft.)
- Janitorial/Trash - \$200 per FTE (\$1.00 per sq. ft. x 200 sq. ft.)
- Other Expenses (Home & Community Services) - \$3,906 per FTE (includes travel, office supplies, professional development, telephone charges, postage and all other expenses not itemized above.)
- Other Expenses (Institutional Services) - \$5,248 per FTE (includes travel, office supplies, professional development, telephone charges, postage and all other expenses not itemized above.)

Oversight assumes the DA would hire the necessary staff to maintain the current Social Services Worker (SSW) caseload of approximately 139 cases per caseworker and would place those SSWs in the counties having the greatest need. However, we are ranging the costs associated with implementing the proposed legislation based on current caseload standards to the caseload standards recommended by the caseload study and the DOS's FY 02 Budget Request.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
	(10 Mo.)		

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Costs - Department of Health</u>			
Personal Service Costs (2 FTE)	(\$32,042)	(\$39,411)	(\$40,396)
Fringe Benefits	(\$10,680)	(\$13,136)	(\$13,464)
Equipment and Expenses	<u>(\$24,452)</u>	<u>(\$12,350)</u>	<u>(\$12,720)</u>
Total <u>Costs</u> - Department of Health	<u>(\$67,174)</u>	<u>(\$64,897)</u>	<u>(\$66,580)</u>
<u>Costs - Department of Corrections</u>			
Additional commitments and Parol supervision	(Unknown less <u>than \$100,000</u>)	(Unknown less <u>than \$100,000</u>)	(Unknown less <u>than \$100,000</u>)
<u>Costs - Department of Social Services - Division of Aging</u>			
Personal Service (6.5 to 10.4 FTE)	(\$55,426) to (\$92,375)	(\$152,195) to (\$220,368)	(\$225,878) to (\$365,633)
Fringe Benefits	(\$18,473) to (\$30,789)	(\$50,727) to (\$73,449)	(\$75,285) to (\$121,865)
Equipment and Expense	(\$26,066) to (\$43,444)	(\$64,122) to (\$92,448)	(\$111,476) to (\$179,843)
Training costs	<u>(\$29,770)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs</u> - Department of Social Services - Division of Aging	<u>(\$129,735) to (\$196,378)</u>	<u>(\$267,044) to (\$386,265)</u>	<u>(\$412,639) to (\$667,341)</u>
<u>Cost - Department of Social Services - Division of Family Services</u>			
Personal services (5.36 FTE)	(\$89,127)	(\$109,626)	(\$112,367)
Fringe benefits	(\$29,706)	(\$36,538)	(\$37,452)
Expense and equipment	(\$67,944)	(\$25,245)	(\$26,003)
Attorney fees/court costs	<u>(\$580,155)</u>	<u>(\$717,359)</u>	<u>(\$738,880)</u>
Total <u>Costs</u> - DFS	<u>(\$766,932)</u>	<u>(\$888,768)</u>	<u>(\$914,702)</u>
<u>Costs - Department of Social Services - Division of Legal Services</u>			
Personal Service (1.46 FTE)	(\$34,874)	(\$42,895)	(\$43,967)
Fringe Benefits	(\$11,624)	(\$14,297)	(\$14,654)
Equipment and Expense	<u>(\$14,013)</u>	<u>(\$10,660)</u>	<u>(\$10,979)</u>
Total <u>Costs</u> - Division of Legal Services	<u>(\$60,511)</u>	<u>(\$67,852)</u>	<u>(\$69,600)</u>

GENERAL REVENUE (cont.)

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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Costs - Department of Social Services -
 Division of Medical Services

Medical Assistance Payments	(\$6,303,180)	(\$12,322,440)	(\$17,346,875)
Total <u>Costs</u> - DMS	(\$6,303,180)	(\$12,322,440)	(\$17,346,875)

Total <u>Costs</u> - Department of Social Services	(\$7,260,358) to (\$7,327,001)	(\$13,546,104) to (\$13,665,325)	(\$18,743,816) to (\$18,998,518)
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**ESTIMATED NET
 EFFECT ON**

GENERAL REVENUE FUND

<u>EXCEEDS</u> <u>(\$7,327,532)</u>	<u>EXCEEDS</u> <u>(\$13,611,001)</u>	<u>EXCEEDS</u> <u>(\$18,810,396)</u>
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FEDERAL FUNDS

<u>Income - Department of Social Services - Medicaid Reimbursements</u>	\$10,053,960 to \$10,089,845	\$19,596,504 to \$19,660,700	\$27,531,431 to \$27,668,579
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Costs - Department of Social Services -
 Division of Aging

Personal Services (3.5 - 5.6 FTE)	(\$29,844) to (\$49,741)	(\$81,951) to (\$118,660)	(\$121,626) to (\$196,879)
Fringe Benefits	(\$9,947) to (\$16,578)	(\$27,314) to (\$39,549)	(\$40,538) to (\$65,620)
Equipment and Expense	(\$14,036) to (\$23,393)	(\$34,527) to (\$49,779)	(\$60,026) to (\$96,839)
Training costs	(\$21,557)	\$0	\$0
Total <u>Costs</u> - Department of Social Services - Division of Aging	(\$75,384) to (\$111,269)	(\$143,792) to (\$207,988)	(\$222,190) to (\$359,338)

Cost - Department of Social Services -
 Division of Family Services

Personal services (2.64 FTE)	(\$43,898)	(\$53,995)	(\$55,345)
Fringe benefits	(\$14,631)	(\$17,997)	(\$18,446)
Expense and equipment	(\$33,465)	(\$12,434)	(\$12,807)
Attorney fees/court costs	(\$285,748)	(\$353,326)	(\$363,926)
Total <u>Costs</u> - DFS	(\$377,742)	(\$437,752)	(\$450,524)

Costs - Department of Social Services -
 Division of Medical Services

Medical Assistance Payments	(\$9,536,920)	(\$18,943,273)	(\$26,785,181)
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<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
Total <u>Costs</u> - DMS	<u>(\$9,536,920)</u>	<u>(\$18,943,273)</u>	<u>(\$26,785,181)</u>
<u>Costs - Department of Social Services - Division of Legal Services</u>			
Personal Service (1.54 FTE)	(\$36,866)	(\$45,345)	(\$46,479)
Fringe Benefits	(\$12,287)	(\$15,113)	(\$15,491)
Equipment and Expense	<u>(\$14,761)</u>	<u>(\$11,229)</u>	<u>(\$11,566)</u>
Total <u>Costs</u> - Division of Legal Services	<u>(\$63,914)</u>	<u>(\$71,687)</u>	<u>(\$73,536)</u>
Total <u>Costs</u> - Department of Social Services	<u>(\$10,053,960) to</u> <u>(\$10,089,845)</u>	<u>(\$19,596,504) to</u> <u>(\$19,660,700)</u>	<u>(\$27,531,431) to</u> <u>(\$27,668,579)</u>
<u>Costs - Department of Labor</u>			
Lost Federal-Match on Start-Up Costs	<u>(\$8,615)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs</u> - Department of Labor	<u>(\$8,615)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>(\$8,615)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	<u>FY 2002</u> <u>(10 Mo.)</u>	<u>FY 2003</u>	<u>FY 2004</u>
LOCAL GOVERNMENT FUNDS			
<u>Costs - Prosecuting Attorneys</u>			
Upgrades to Computer Systems, Forms and Instruction Changes	Exceeds <u>(\$100,000)</u>	\$0	\$0
ESTIMATED EFFECT ON LOCAL GOVERNMENT FUNDS	Exceeds <u>(\$100,000)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

A fiscal impact to small businesses would be expected due to the requirements of this bill

regarding the implementation of background checks on employees and violations or deficiencies cited by the Division of Aging involving corrective actions related to staffing issues. The potential cost to small businesses is unknown.

DESCRIPTION

This bill modifies the law relating to protection of the elderly. In its major provisions, the bill:

- (1) Creates a new chapter on protection of the elderly and transfers several existing statutory sections to this chapter;
- (2) Requires reports of suspected elder abuse to be referred to the appropriate law enforcement agency. Current law requires only substantiated reports to be referred. The Division of Aging is also required to investigate immediately any report of elder abuse or neglect that involves a threat of imminent harm;
- (3) Requires the division and law enforcement agencies to cross-train personnel in investigating cases of suspected elder abuse;
- (4) Makes it a class A misdemeanor for a health care provider to knowingly hire an applicant whose name appears on the Division of Family Services' central registry for child abuse and neglect; who has had a foster care license refused, suspended, or revoked; or who has been disqualified from employment by the Department of Mental Health. This provision has an emergency clause;
- (5) Allows the Attorney General to handle Medicare fraud investigations. The bill also allows the Attorney General to obtain investigative subpoenas and search warrants in connection with investigations of abuse cases;
- (6) Authorizes the Division of Aging, when confronted with violations or deficiencies related to staffing, to implement corrective actions such as staffing ratios, training plans, or plans related to staff supervision;
- (7) Requires facilities to meet or exceed federal requirements concerning the posting of deficiencies;
- (8) Makes it a class A misdemeanor for a division employee to knowingly disclose the time of an unannounced inspection of a facility licensed by the division and requires the division to terminate his or her employment;
- (9) Requires the Division of Medical Services to remit Medicaid payments to long-term care facilities for newly admitted residents within 45 days of admission;
- (10) Increases asset limits to \$1,500 for a single person/ \$3,000 for a couple to qualify for medicaid benefits; and
- (11) For the purpose of paying medical assistance on behalf of needy persons, the following needy will be eligible: 1) recipients of state supplemental payments for the aged, blind and disabled; 2) all recipients of aid to families with dependent children benefits; 3) recipients of DESCRIPTION (continued)

blind pension benefits; and 4) persons who would be determined to be eligible for old age assistance benefits, permanent and total disability benefits, or aid to the blind benefits or are

sixty-five years or older and are patients in state institutions for mental diseases or tuberculosis, among others. Less restrictive income methodologies, as authorized under 42 U.S.C.1396a(r)(2) shall be used to raise the income limit to 85% of the federal poverty level on the effective date of this act; 90% of the federal poverty level on July 1, 2002; and 100% of the federal poverty level on July 1, 2003.

This legislation is not federally mandated, would not duplicate any other program. Additional capital improvements or rental space will be necessary.

SOURCES OF INFORMATION

Office of State Public Defender
Department of Health
Office of State Courts Administrator
Office of Secretary of State
Department of Corrections
Cole County Prosecuting Attorney's Office
Department of Labor
Department of Social Services
Department of Mental Health
Office of Attorney General
Department of Public Safety - Missouri Highway Patrol
Office of Lieutenant Governor



Jeanne Jarrett, CPA
Director
May 14, 2001